

Government Efficiency and Accountability Review (GEAR)

Board Meeting

July 13th 2017



Agenda

1. Introductions
2. Review minutes
3. Old Business
 - 2017 Schedule review
4. New business
 - Focus Areas reconnect
 - Legislative Session impact on GEAR
 - Review Charters
5. Open Topics discussion -- Board
6. Public Comment
7. Adjourn



Old Business

- **Approve Minutes from prior Board meeting**
- **Completed**
 - Set GEAR Board meeting schedule
 - **July 13th**, September 12th, November 16th
 - GEAR/Agency Lightning Rounds Part 2
 - AFSCME preliminary meeting, DOE, Treasurer
 - State Auditor rescheduled, AFSCME LR to be scheduled



Old Business

Process and Timing



- **GEAR01 Board: March 23rd**
 - Lightning Rounds scheduled & Homework Assigned



- **GEAR02 Board: May 18th**
 - Board identifies Annual Report Focus Areas
 - Nominate leader for each Project Team and pair with GEAR team member



- **GEAR03 Board: July 13th**
 - Project teams report status to Board

- **GEAR04 Board: September 12th**
 - Project team drafts presented to Board
- **November 1st:** Project team final reports delivered to Board
- **GEAR05 Board: November 16th**
 - Draft of annual report reviewed by Board
- **December 1st:** Annual GEAR report delivered

New Business

Annual Report

- First issuance of annual GEAR report
- Standing requirement
- Provide continuous improvement recommendations for inclusion in the state budget:
 - Shared service opportunities
 - Methods to improve recruitment, development, retention of employees



Annual Report

Focus Areas

- | | |
|-------------------------------------|---------|
| 1. Education | ← HCR39 |
| 2. Health Care | ← HJR7 |
| 3. IT Efficiency | |
| 4. Human Resources Delivery | ← HB4 |
| 5. Financial Services Delivery | ← HJR8 |
| 6. Public-Private Partnerships (3P) | ← HB226 |
| 7. Legislative Package | |
| ?. Performance Metrics and Data | |
| ?. Administrative Procedures | ← SCR33 |

TBD – for
discussion



New Business

Legislation Important to GEAR

- HCR 39 – School District Consolidation
 - This concurrent resolution establishes a Task Force to study and make recommendations regarding the impact of consolidating school districts in Delaware.
- HJR 7 – Healthcare
 - Health care spending in Delaware is higher than the national average and has historically outpaced the State's economic and revenue growth, contributing to the State's current structural deficit. To combat ever rising costs, this Joint Resolution authorizes the Secretary of the Department of Health and Social Services to undertake the actions necessary to establish a health care benchmark, and designating the State's 2018 fiscal year as a planning year. The Secretary is directed to consult with stakeholders in developing the benchmark.



New Business

Legislation Important to GEAR

- HB4 – Create the Department of Human Resources
 - Create the department of Human Resources, transfer selected divisions and other organizational units from the Office of Management and Budget and Department of State to the Department of Human Resources, and create the Office of Women’s Advancement and Advocacy within the Department of Human Resources.
- HJR 8 – Fiscal Controls / Budget Smoothing
 - This Joint Resolution creates an Advisory Panel to the Delaware Economic and Financial Advisory Council (DEFAC) that is tasked with developing a report concerning the State’s historic budgeting practices, the need for reasonable restrictions on the use of budget surpluses, the benefits of a budget stabilization fund, and such other matters as the Advisory Panel deems appropriate. A preliminary report shall be submitted to the General Assembly and the Governor no later than May 1, 2018.



New Business

Legislation Important to GEAR

- HB226 – Public Private Partnership for Economic Development
 - An act to amend the Delaware Code relating to state economic development which transfers the functions of the Delaware Economic Development Office (DEDO) to a division of the Department of State.
- SCR 33 – Administrative Law Improvements
 - This resolution creates the Administrative Law Improvement Task Force, which is charged with reviewing and improving Delaware's Administrative Procedures Act and other processes to modernize Delaware's administrative tribunal judicial review process.



Annual Report – Proposed Focus Area

Performance Metrics and Data

- Develop outcome-based metrics to measure the performance of each program unit in state government
- Conduct a personnel study to determine how the State of Delaware compares to other states and the private sector regarding: the amount of personnel required to execute state programs; compensation; employee to contractor ratio; merit to appointed employee ratio; and employee benefit packages
- Conduct a statewide procurement study to find future procurement cost savings, seek improvements to the competitive bidding process, and to understand the impact state procurement practices have on locally-owned businesses, women and minority-owned businesses, and businesses operated by Delawareans with disabilities



Annual Report – Proposed Focus Area

Administrative Procedures

- Measure and improve the effectiveness and efficiency of processes documented in the Administrative Procedures Act (Chapter 101)
- Improve the efficiency of both the administrative law review/appeals process -- hearing officers vs courts -- and regulatory processes
- Support a focused effort to use technology to eliminate legacy paper processes, notices and publication requirements that incur duplicative costs and waste staff and management resources
- Implement low cost electronic processes, notices and publications to recognize the realities of how citizens submit and consume information today

Review Charters

1. Education
2. Health Care
3. IT Efficiency
4. Human Resources Delivery
5. Financial Services Delivery
6. Public-Private Partnerships (3P)
7. Legislative Package

Summary

- Team Leadership & Members
- Opportunity
- Objectives
- Scope
- Deliverables
- Duration

Annual Report – Focus Area

Education

Develop proposals for initiatives focused on finding efficiencies within and across school districts:

- Transportation management
- Shared facilities management practices
- Managed energy purchasing and consumption
- Shared Internet bandwidth contracts
- *Funding mechanisms to address long term revenue shortfall and student growth*

Annual Report – Focus Area

Health Care

Develop proposals for initiatives focused on finding efficiencies through:

- Benchmarking of health care cost growth
- Performance improvement plans
- *Group employee health care reforms*
- *Medicaid reforms*

Annual Report – Focus Area

IT Efficiency

- Reviewing current state of IT centralization and opportunities in remaining agencies
- Identifying and mapping processes requiring multiple authorizations and physical signatures -- driving broad acceptance of digital signatures (UETA) and paperless workflow

Annual Report – Focus Area

Human Resources Delivery

Support the creation of a separate Human Resources agency

- Benchmark core processes of other state governments
 - HR policies and practices and systems
 - Payroll and benefit delivery systems
 - Absence and leave management systems

Annual Report – Focus Area

Financial Services Delivery

Collaborate among the state's financial officers (Treasurer, Auditor, OMB Director, Controller General, Sec. of Finance) to develop benchmarking and proposals to maintain appropriate levels of financial controls while reducing the time and resources associated with collections, payables, accounting, budgeting, reporting, treasury, auditing, and other financial services.

Annual Report – Focus Area

Public-Private Partnerships (3P)

Work with the Delaware business community to identify partnership opportunities that will lower the cost of government and promote economic development.

Encourage and enable industry talent to work with Agencies to support their pursuit of greater efficiency and effectiveness.

Annual Report – Focus Area

Legislative Package

- Identify legislative requirements that have outlived their value and impose material time and costs
- Create a package of legislative actions required to modernize and reform these requirements

Examples:

- What is the State's spend on paper notices and publications?
- What documents are copied to multiple officials purely for statutory reasons?
- How much is required by statute, and how much is performed for reasons of tradition?

Open Topics Discussion - Board



Public Comment

